

**1. LDC is treating North Street Development as a land transaction, rather than something more creative. Were any Local Asset Backed Vehicles (LABVs) considered rather than a Joint Venture, and if not what were reasons for this as an LABV could include community investment as well as developer and LDC?**  
Yours sincerely  
Sheila O'Sullivan

*See response to question 2.*

**2. LDC is treating North Street Development as a land transaction, rather than something more creative . Were any Local Asset Backed Vehicles (LABVs) considered rather than a Joint Venture, and if not what were reasons for this as an LABV could include community investment as well as developer and LDC?**  
Yours sincerely  
Keith Rapley

*The Council is considering a joint venture with Santon to develop land at the North Street Quarter (NSQ). The two main JV structures are contractual JVs and corporate JVs. When considering the appropriate JV structure the authority must ask itself whether a complicated corporate JV would be any better than a simple contractual JV.*

*LABVs (local asset backed vehicles) are special purpose corporate JV entities in which the local authority normally contributes various parcels of land within its boundary and the private sector partner match funds with cash to the value of the land so that a 50/50 JV is established. The local authority assets are used as collateral to raise debt financing for development. The local authority shares in any future profits.*

*GVA Grimley, who are the property consultants advising the Council, did provide a comprehensive analysis of the best JV structure. GVA do not consider that a LABV for NSQ is appropriate for a number of reasons including the following:*

- LABVs only work when the local authority has numerous assets that it can pool rather than a single development asset. At North Street the private sector partner has the larger landholding with a much greater land value than the Council's landholding.*
- The private sector partner has the financial resources to raise funding.*
- LABVs are expensive to set up and run. The North Street project is small compared with typical LABV schemes and it is unlikely that it would be able to carry the costs of a complex corporate JV structure.*
- The set up and running costs mean that LABVs are only suitable for long term partnerships in excess of 15 years. The project at North Street has a much shorter timeframe.*

*GVA recommend using a simple contractual JV and this approach is endorsed by the Council's external legal advisers.*

*Officers consider that a complicated LABV corporate JV structure is not an efficient use of public resources. Furthermore, one of the risks of a LABV is that local authority's assets are used as collateral to raise debt funding. There is no obvious reason why the Council's land assets should be used in this way when private sector*

*resources can be used for this purpose. In addition, the objectives of redevelopment and regeneration can be met by using a simple contractual JV.*

**3. Is the Cabinet aware of the alternative Phoenix Estate Proposal (see below and attached) [this has been appended at the end of these questions and responses] which continues to gather a large number of signatories and what is their view of this proposal?'**

**Chelsea Renton**

*See response to question 4.*

**4. Is the Cabinet aware of the alternative Phoenix Estate Proposal which continues to gather a large number of signatories? What is their view of this proposal?**

**Yours sincerely  
Keith Rapley**

*I can confirm that myself and my colleagues are aware of the proposal that has been suggested and supported by a number of people who have an interest in Lewes town.*

*We are of the view that many elements of your proposal are being incorporated into the emerging proposals. The provision of affordable housing as part of the redevelopment of North Street is recognised as a priority for the Council, as is the provision of appropriate employment floorspace, community facilities and a high quality and sustainable design and build. In partnership with the South Downs National Park Authority, we believe that we have set an appropriate policy framework for the North Street site that will allow for the delivery of all of these aims.*

*I would like to emphasise that at this stage Cabinet is only being asked to enter into an Interim Agreement with the Santon Group, which is predominantly concerned with progressing a planning application for the emerging proposals.*

**5. The Cabinet is, made up of councillors from outside Lewes Town; has any consideration been given to consulting with Cllrs representing residents in Lewes Town, if yes, when and how was this done and what was the outcome? If not, why not?**

**Yours sincerely  
Tony Webb**

*See response to question 6.*

**6. The Cabinet is, made up of councillors from outside Lewes Town; has any consideration been given to consulting with Cllrs representing residents in Lewes Town, if yes, when and how was this done and what was the outcome? If not, why not?**

**Yours sincerely  
Keith Rapley**

*The Members of Cabinet first and foremost represent Lewes District irrespective of where their ward is.*

*All Lewes District Councillors, including those whose ward is in the town of Lewes, have been involved in the development of the Core Strategy document, which sets the policy framework for the North Street redevelopment proposals. The Core*

*Strategy was considered and approved at the full Council meeting in December 2012. The engagement and consultation undertaken by Santon has also actively sought the input of local Members. This has included a number of presentations being provided to the Town Council and the Town Council also being represented on the North Street Project Board, who are over-seeing the whole project.*

*In terms of the proposals and recommendations set out in the Cabinet paper entitled 'Lewes North Street Development', all District Councillors whose Ward is in Lewes town have been invited to a briefing on this paper in advance of today's Cabinet meeting. The vast majority of these Ward Members have attended this briefing.*

**7. As a Lewes town councillor and as chair of Lewes Green Party I would like to know whether or not the Cabinet is aware of the alternative Phoenix Estate Proposal which continues to gather a large number of signatories? What is their view of this proposal and why have they not consulted with district councillors representing Lewes town, as well as Lewes residents, before committing to spending large sums of public money in supporting a developer's proposal which may not even gain planning permission in its present incarnation. After many people are unconvinced that the present plans provide enough affordable housing, do enough to retain and encourage the strong creative employment on the estate or sets a sufficiently high eco standard that would be resilient in the face of future climate change.  
Councillor Susan Murray, Green Party, Castle ward**

*See responses to questions 4 and 6. In addition, state;*

*Monies currently being spent by LDC on professional fees, particularly for property and legal advice, will be reimbursed by Santon. All planning application fees will be paid by Santon and not LDC. Santon's costs to date must be broadly in the region of £1 million.*

*The Council will however engage the professional property consultants in order to seek a completely independent view on the duty to secure value for money from this transaction. The estimated cost is up to £25,000.*

**8. Is the cabinet satisfied that Clifford Dann LLP has the necessary skills and experience to produce a masterplan for such an important and complex site? What previous experience does Clifford Dann LLP have of undertaking such work?**

**Adrian Cole**

*The requirement for a masterplan for the North Street area to be prepared is set out in the Lewes District – Core Strategy Proposed Submission document, specifically Spatial Policy 3. Although the masterplan has Clifford Dann LLP identified on the front cover, they have only been a small part of a much larger team that have been working on behalf of Santon in preparing the proposals. It is not for the District Council to judge whether or not Clifford Dann, or any other consultant or specialist, have the necessary skills and experience to prepare such a masterplan. Instead, it is for the District Council to judge the merits of the Masterplan itself.*

**9. Given the scale of the proposed NS Development, the once in a lifetime opportunity and that fact that the council owns 35% of the land. Why has the council not consulted itself on views of local (Lewes town) residents but relied on Santon, a private developer?**

**Sian Thomas**

*The proposed approach to the redevelopment of the North Street area has been set by the Lewes District Core Strategy, which has been prepared in partnership between the District Council and South Downs National Park Authority.*

*Since 2010, the emerging planning policy approach for North Street has been extensively consulted upon with the views obtained helping to shape the policy that is now set out in the Core Strategy. This consultation has included an options paper being published in May 2010, which sought views on a number of over-arching approaches that could be taken with the North Street site. In late 2011, a preferred policy approach for the North Street site was consulted upon, along with other options still under consideration. Finally, in early 2013, the proposed policy approach agreed by both the District Council and National Park Authority was published and views were invited accordingly.*

*In all of these cases, the consultation has been publicised through articles in the local press and the quarterly magazine that the Council distributes to all households in the district. In addition, in excess of 1,500 individuals and organisations were directly notified of these consultations as they are on the Council's contacts database that is utilised when planning policy documents are consulted upon. Many Lewes town residents did input into these consultations and their views have helped shape the policy approach for North Street.*

*We are clearly aware that Santon has undertaken its own consultation on the emerging proposals for North Street. For potential major planning applications this is considered best practice and is very much encouraged by the Government and the District Council and National Park Authority.*

**10. The paper on the proposed Lewes North Street Development makes no mention of local community organisations that have been established in the town to own and develop community assets, particularly the Lewes Community Land Trust. Can cabinet please ask the Director of Business Strategy and Development to enter into discussions with the Land Trust and other relevant bodies before the JV arrangements are finalised, given that Land Trusts are an established model for securing lasting community benefits in developments of this kind.**

**Andrew Simpson**

*Cabinet are very much aware of the Community Land Trust and the interest they have in the North Street proposals. I can confirm that the Director of Business Strategy and Development is due to meet with representatives from the Community Land Trust on the 13<sup>th</sup> May.*

### **Alternative Phoenix Proposal, as appended to question 3.**

Phoenix Estate

A NEW PROPOSAL

Summary:

It is our view (see undersigned) that Santon's emerging plans for the development of the Phoenix Estate do not, as they stand, satisfy the community benefit requirements of the people of Lewes. We are concerned about the quantity, style and affordability

of the housing, the lack of community infrastructure and work space, the loss of jobs and manufacturing, creative and social enterprises currently in the area, plus the impact of additional traffic on surrounding parts of the town and flood defences that have yet to satisfy local residents. Nor do we consider that the plans take into account the need for innovative and sustainable new build that meets a high architectural and environmental design standard, that ensures people recognise it as part of Lewes.

As an innovative solution to these problems and omissions, we propose to acquire and develop a portion of the land within the development area, to be funded, built and managed by the community, for the community. This will be a not-for-profit development providing: genuinely affordable homes for local people and creating or renovating work space for manufacturing and creative industries, with venues for community activities.

We propose a landmark development that is worthy of the South Downs National Park (SDNPA) and the historic town of Lewes (a transition town.) The development would showcase the best elements of community driven planning and development. It will promote affordable innovative low-carbon design incorporating renewable energy technologies and other sustainable building practices including flood management rather than defence.

We could ask the Lewes Community Land Trust to provide the management and development vehicle for this scheme, in partnership with local housing and energy providers, funded by a share issue and section 106 contributions. We propose that the Land Trust work alongside Lewes District Council, Santon and other landowners of the development area, in the form of a Joint Venture. This would leave Santon to pursue the development of the market housing and amenities, once the Joint Venture has secured outline planning consent from the SDNPA.

#### Background:

The area around the Phoenix Wharf on the river Ouse has been a centre for industry and manufacturing in Lewes for many years and as such it has played an integral part in our local history and provided generations of Lewes residents with homes and jobs. More recently the warehouses of the old Phoenix Ironworks have been converted into workshops for light industry and studios for the creative industries as well as popular venues for community activity. As such it is a vibrant area with an important economic, educational and recreational function.

Notwithstanding these positive attributes, the community accepts that the area is in need of regeneration and that there is a pressing need to provide new and affordable housing for people in Lewes. As such, we believe a golden opportunity exists to create a landmark sustainable development that respects the needs and desires of the community and which will be of economic benefit (through jobs, leisure and tourism) to the district as a whole.

#### Our Proposal:

We plan to raise the funds to acquire and develop a parcel of land on the Phoenix Estate, much of which is still owned by the council or owned by local landlords as well as Santon, in order to provide the following:

- Affordable homes that are designed and built using local skills and materials, for the benefit of local people in perpetuity.
- Affordable work spaces that are designed to meet the needs of local industries, workers and the self-employed, including the creative arts and community enterprises that currently operate on the Phoenix Estate.
- Community facilities for recreational, social and educational enterprises as well as amenities and open spaces for the new residential community.
- Sustainable building: our development, while renovating where possible, will respect the best affordable eco-building standards with regards to low-carbon design, energy efficiency and the use of renewable energy technologies. In this way it will become a showcase for innovative architecture as befits Lewes, “The Gateway to the South Downs National Park.”

Our first aim is to raise the money to fund a masterplan for this scheme. This will be designed using expert advice, looking at sympathetic flood management schemes and innovative new build ideas from around the world.

If you would like to add your name and some information about yourself to this proposal, please email:

lewesphoenixrising@gmail.com

Your name will join those below and we will update you in 10-14 days with how the proposal is progressing. Please circulate this email if it is of interest to you. There will be a debate in the Town Hall, 29th May at 7pm.

*(There followed 174 names/details)*

(as of 16th April 2014)